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In re Application of
Van Ginneken
Application No. 10/828,547
Filed: April 19, 2004
Attorney Dck't. No. 054355-0309380

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APR 27 2005

OFFICE OF PETITIONS

ON PETITION

This application has come to the attention of this office by way of the petition under 37 CFR 1.182 or 1.183 filed March 4, 2005, on behalf of Synopsys Inc.(Synopsys) requesting suspension of prosecution pending judicial resolution of the ownership of the above-identified application.

The petition is dismissed.

The unfortunately favorable treatment by the USPTO on February 22, 2005, of the request for revocation and power of attorney filed by Synopsys to Hanyes Beffel & Wofeld LLP at customer No. 36454 is **vacated as granted in error**.

The power of attorney is restored to those counsel at Pillsbury Winthrop associated with customer No. 27498 and the correspondence address is likewise restored to that of customer No. 27498. The USPTO error is regretted. On a one time basis only, a courtesy copy of this decision is being sent to Synopsys. The USPTO will not undertake dual correspondence.

Counsel for Synopsys, and Synopsys itself, are hereby placed on notice that, in the absence of a copy of a final decision from the highest court of competent jurisdiction that unequivocally awards title to Synopsys, or unequivocally finds that Synopsys always owned, the entire right, title, and interest in this application, any further attempt to divert correspondence or otherwise control the prosecution of this application will be regarded as correspondence filed for an improper purpose.

Synopsys' representatives are also placed on notice that the Office considers the filing of a petition or other paper on behalf of a party having no standing in an application, and not otherwise authorized by the rules of practice, to be a petition or paper presented for an improper purpose (37 CFR 10.18). For example, the filing of a paper on behalf of a party in situations not authorized by the rules of practice delays the examination and processing of applications, which may cause harm to the general public if it results in the Office missing any one of the examination time frames specified in 35 U.S.C. §§ 154(b)(1)(A) or 154(b)(1)(B). Therefore, the Office may refer any further third party

petition or communication other than that specifically provided for by the rules of practice in this or any other application to the Office of Enrollment and Discipline for appropriate action. Under the circumstances of this case, at this time, the USPTO must regard Synopsys as a third party. The USPTO does not wish to become embroiled in any ownership dispute and necessarily remains neutral.

STATUTE AND REGULATION

35 U.S.C. § 152 states that:

Patents may be granted to the assignee of the inventor of record in the Patent and Trademark Office, upon the application made and the specification sworn to by the inventor, except as otherwise provided for in this title.

35 U.S.C. § 261 states in pertinent part:

Subject to the provisions of this title, patents shall have the attributes of personal property. Applications for patent, patents, or any interest therein, shall be assignable in law by an instrument in writing. The applicant, patentee, or his assigns or legal representatives may in like manner grant and convey an exclusive right under his application for patent, or patents, to the whole or any specified part of the United States.

37 CFR 1.182 states:

All situations not specifically provided for in the regulations of this part will be decided in accordance with the merits of each case by or under the authority of the Director, subject to such other requirements as may be imposed, and such decision will be communicated to the interested parties in writing. Any petition seeking a decision under this section must be accompanied by the petition fee set forth in § 1.17(h).

37 CFR 1.183 states:

In an extraordinary situation, when justice requires, any requirement of the regulations in this part which is not a requirement of the statutes may be suspended or waived by the Commissioner or the Commissioner's designee, *sua sponte*, or on petition of the interested party, subject to such other requirements as may be imposed. Any petition under this section must be accompanied by the petition fee set forth in § 1.17(h).

37 CFR 3.1 states in pertinent part:

For purposes of this part, the following definitions shall apply:

Assignment means a transfer by a party of all or part of its right, title and interest in a patent or patent application...*(emphasis in original)*

37 CFR 3.21 states in pertinent part:

An assignment relating to a national patent application must identify the national

patent application by the application number (consisting of the series code and serial number, e.g., 07/123,456).

37 CFR 3.54 states:

The recording of a document pursuant to § 3.11 is not a determination by the Office of the validity of the document or the effect that document has on the title to application, a patent, or a registration. When necessary, the Office will determine what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office.

37 CFR 3.71 provides that:

- (a) Patents — conducting of prosecution. One or more assignees as defined in paragraph (b) of this section may, after becoming of record pursuant to paragraph (c) of this section, conduct prosecution of a national patent application or a reexamination proceeding to the exclusion of either the inventive entity, or the assignee(s) previously entitled to conduct prosecution.
- (b) Patents — Assignee(s) who can prosecute. The assignee(s) who may conduct either the prosecution of a national application for patent or a reexamination proceeding are:
 - (1) A single assignee. An assignee of the entire right, title and interest in the application or patent being reexamined who is of record, or
 - (2) Partial assignee(s) together or with inventor(s). All partial assignees, or all partial assignees and inventors who have not assigned their right, title and interest in the application or patent being reexamined, who together own the entire right, title and interest in the application or patent being reexamined. A partial assignee is any assignee of record having less than the entire right, title and interest in the application or patent being reexamined.
- (c) Patents — Becoming of record. An assignee becomes of record either in a national patent application or a reexamination proceeding by filing a statement in compliance with § 3.73(b) that is signed by a party who is authorized to act on behalf of the assignee.

37 CFR 3.73 provides that:

- (a) The inventor is presumed to be the owner of a patent application, and any patent that may issue therefrom, unless there is an assignment. The original applicant is presumed to be the owner of a trademark application unless there is an assignment.
- (b) When an assignee seeks to take action in a matter before the Office with respect to a patent application, trademark application, patent, registration, or reexamination proceeding, the assignee must establish its ownership of the property to the satisfaction of the Director. Ownership is established by submitting to the Office, in the Office file related to the matter in which action is sought to be taken, documentary evidence of a chain of title from the original owner to the assignee or by specifying (e.g. copy of an executed assignment submitted for recording) or by specifying (e.g., reel and frame number) where such evidence is recorded in the Office. The submission establishing ownership must be signed by a party authorized to act on behalf of the assignee.

Documents submitted to establish ownership may be required to be recorded as a condition to permitting the assignee to take action in a matter pending before the Office.

OPINION

Petitioner Synopsys styles itself as the rightful owner of the above-captioned application in that the above-named inventor is asserted to have been employed by Synopsys from 1995 onwards and according to the enclosed copy of his employment contract executed May 17, 1995, any invention that he made during his tenure with Synopsys was automatically conveyed to Synopsys by the terms of the work agreement. Since, petitioner alleges, the inventor made the herein disclosed invention while employed by Synopsys, Synopsys is the true owner of this application. Petitioner further notes the existence of litigation between itself and Magma (the named inventor's current employer) that, *inter alia*, allegedly will resolve the ownership of the above-identified application, and as such, requests that the USPTO defer examination until the ownership issues are resolved, and to that end vacate any outstanding Office action.

The assignment records of the USPTO show that on July 9, 1998, the USPTO recorded at reel 9317 frame 313 an assignment to Magma executed by Van Ginneken on May 4, 1998, against provisional application No. 60/068827 ('827) filed December 24, 1997. Accordingly, that assignment carries to any application claiming benefit of that provisional application. See MPEP 306.01. Here, non provisional application No. 09/054,379 ('379) filed April 2, 1998, and naming Van Ginneken sole as the inventor, claimed benefit of the prior non provisional '827 application. Furthermore, on May 4, 1998, the USPTO recorded at reel 9281 frame 0964 an assignment against the '379 non provisional application executed by Van Ginneken on May 4, 1998, that by its express terms extended "to all continuations.. of said application." In due course the '379 non provisional application issued as U. S. Patent No. 6,453,446 on September 17, 2002, to Magma as the assignee of the entire interest as provided for by 35 U.S.C. § 152 and 37 CFR 3.81(c)(2). That issuance to Magma as the assignee of the entire interest bears the statutory presumption of correctness. See 35 U.S.C. § 282; *Arachnid, Inc. v. Merit Industries, Inc.*, 939 F.2d 1574, 1577 n.2, 19 USPQ2d 1513, 1516, n.2 (Fed. Cir. 1991). Furthermore, application No. 10/134,076 ('076) filed April 24, 2002, as a continuation of the aforementioned '379 application claimed benefit of the '379 and '827 applications and as such the recorded assignment to Magma carried to the '076 application. See MPEP 306. In due course the '076 application issued as U. S. Patent No. 6,725,438 on April 20, 2004, to Magma as the assignee of the entire interest as provided for by 35 U.S.C. § 152. That issuance to Magma as the assignee of the entire interest again bears the statutory presumption of correctness. See 35 U.S.C. § 282; *Arachnid, Id.* The above-identified application was filed April 19, 2004, as a continuation of the '379 and '076 applications and claims benefit of the prior '827, '379, and '076 applications. It follows that the aforementioned recorded assignments to Magma both carry to the above-identified application, both by way of USPTO practice, and of course, the express statement in the assignment recorded at reel 9281 frame 0964 that such assignment carried to all continuations of the '379 application. See MPEP 306; 306.01.

The assignment records of the USPTO fail to show that Magma has ever further conveyed its entire rights, title, and interest in any of aforementioned applications to Synopsys. As explained in more detail below the alleged "assignment" that was recorded by Synopsys on January 29, 2005, facially lacks adequate identification of any application in the chain so as to be regarded as a proper assignment of that application under the rules of practice before the USPTO, unless and until a court of competent jurisdiction rules otherwise, Magma must be regarded as

the assignee of the entire interest herein. On the record before the USPTO at this time Magma, not Synopsis, is properly regarded as the assignee of the entire interest herein

Under 37 CFR 3.71, the assignee of the *entire interest* may prosecute (or defer prosecution of) an application to the exclusion of the named inventors, or any previous assignee, and also revoke, or appoint, a power of attorney in an application or patent. Pursuant to 37 CFR 3.73(b), that putative assignee must present its showing consonant with 37 CFR 3.71 to the Office, either prior to, or concurrently with, the paper that requests the action. Accordingly, Synopsis must establish that it is the current owner of the entire interest, as the owner—or even the equitable owner—of only a part interest in an application does not have the sole right to control prosecution of the application. See In re Goldstein, 16 USPQ2d 1963, 1964 (Comm'r Pat. 1988; see also In re Scold, 195 USPQ 335, 335 (Comm'r Pat. 1976); Ex parte Harrison, 1925 Dec. Comm'r Pat. 122, 123 (Comm'r Pat. 1924)). The procedures set forth in the regulations (e.g., 37 CFR 3.73(b)) serve to assure that papers filed with the USPTO in an application or patent are submitted on behalf of the owner(s) of the entire interest in the application or patent. See Goldstein, 16 USPQ2d at 1964.

Inventorship is the starting point for determining ownership, see University Patents, Inc. v. Kligman, 762 F.Supp. 1212, 1218-19, 20 USPQ2d 1401, 1405 (E.D. Pa. 1991), and unless, there is an assignment, the USPTO will presume the named inventor to be the owner, see 37 CFR 3.73(a). Inspection of relevant records reveals that a 147 page document facially representing itself as an “assignment” executed May 17, 1995, wherein the named inventor allegedly assigned his rights to Synopsis, was recorded against the instant application on January 28, 2005, at reel 15621 frame 9.

However, as the record does not show that Synopsis is the assignee of the entire interest of the above-identified application within the meaning of the statutes and regulations, the requested relief(s) cannot be granted to Synopsis. The USPTO has consistently interpreted the applicable statutes and regulations relating to the recording of assignment documents in the PTO as applying only to instruments which **on their face** affect title to a patent or *application*. See In re Farrand, 1912 C.D. 227 (Comm'r Pat. 1912); In re Charlton, 1903 C.D. 159 (Comm'r Pat. 1903). Compare the assignments contemporaneously executed by Van Ginneken that stand recorded against the '827 and '379 applications with the document executed in 1995 by Van Ginneken purported to be an “assignment” of the invention herein filed some 9 years later.

That is, petitioner Synopsis has not shown, and inspection of the proffered “assignment” does not reveal, that Ginneken has assigned his right, title and interest in the above-identified *application* to Synopsis within the meaning of 35 U.S.C. § 261 and 37 CFR §§ 3.1, 3.31, 3.71, 3.73. The documents merely indicate that any invention made by the inventor while he worked for Synopsis was automatically assigned to Synopsis. While petitioner contends that the instant invention was made during the time the inventor was employed by Synopsis, such that Synopsis is the assignee of the entire interest herein, that controversy is properly resolved by the ongoing litigation. Furthermore, the inventor was not employed by Synopsis when each an every application identified in this decision was filed. It is well settled that the Office is not the appropriate forum for resolving a dispute concerning the ownership of an application, and, as such, the USPTO will not permit itself to become embroiled in ownership disputes. See, Ex Parte Harrison, 1925 Dec. Comm'r Pat. 122, 123 (Comm'r Pat. 1924); In re Moller, 1904 Dec. Comm'r Pat. 70, 71 (Comm'r Pat. 1904); Ex Parte McTammany, 1900, 168, 181 (Comm'r Pat.

1900); Ex Parte McFarlane, 1896 Dec. Comm'r Pat. 37,38 (Comm'r Pat. 1896); Ex Parte Gallatin, 1892 Dec. Comm'r Pat 106 (Comm'r Pat. 1892).

Indeed, the USPTO has no authority to decide ownership issues. See Cedars-Sinai Medical Center v. Watkins, 11 F.3d. 1573, 1581 n.10, 29 USPQ2d 1188, 1194 n.10 (Fed. Cir 1993), cert. denied, 114 S. Ct. (1994). Rather, state law governs contractual obligations and transfers of property rights, including those relating to patents. See Regents of the University of New Mexico v. Knight, 66 USPQ2d 1001, 1008 (Fed. Cir. 2003). The USPTO cannot settle disputes as to title, or convert whatever equitable title that might exist in this application for petitioner simply by inspection of the documents upon which petitioner relies. Rather, a judicial tribunal is the appropriate forum to resolve such controversy. See Jim Arnold Corp. v. Hydrotech Sys., Inc., 109 F.3d 1567, 1572, 42 USPQ2D 1119, 1123 (Fed. Cir. 1997) ("the question of who owns the patent right and on what terms typically is a question exclusively for state courts"); Roach v. Crouch, 24 N.W. 2d 400, 33 USPQ2D 1361 (Iowa 1994) (patent ownership issue properly triable in state court); In re Haines, 1900 C.D. 102, 103 (Comm'r Pat. 1900)(same).

Accordingly, since the above-named inventor was clearly not employed by Synopsys when any of the herein identified applications was filed, the USPTO will not (and in any event cannot) determine whether Van Ginneken's position at Synopsys operated to convey his rights in the invention set forth in this application to Synopsys. The petition seeking that the USPTO acknowledge that Synopsys is the assignee of the entire interest, and, in turn, that Synopsys as the assignee of the entire interest may herein intervene in the prosecution of this application to the exclusion of Van Ginneken within the meaning of MPEP 324 and 37 CFR 3.73(b) must be **dismissed**. The unfortunate USPTO recognition of Synopsys as assignee-intervenor and appointment of its own counsel was made in error and is hereby **vacated**.

A distinction must be made between a property right to an "invention," and a property right to a patent *application*, as a given patent *application* may or may not embody that "invention." Insofar as this case is concerned, the relevant statutes and regulations only speak to the recordation of the assignment of "applications for patent", not inventions. See, e.g., 35 USC § 261 and 37 CFR 3.11 et seq. Likewise, while 35 USC § 100 defines invention, § 100 does not define invention as being synonymous with, or meaning, "application for patent." This distinction is further evident from inspection of other sections of Title 35: e.g., 35 §§ 111, 119, 120, 121, 131.

While the documents executed by Ginneken (in 1995) were recorded against this application by Synopsys on January 28, 2005, such recordation as an "assignment" was simply predicated upon the assertions made on the assignment recordation cover sheet tendered by Synopsys pursuant to 37 CFR 3.31. However, as set forth in 37 CFR 3.54, and MPEP 317.03, the recordation of a document proffered as an "assignment" is **not** a determination by the Office of the validity of the document or the effect that document has on the title to an application or patent. As further noted by the foregoing authorities, when, as here, it becomes necessary, the USPTO will determine what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office. See also MPEP 324.

Inspection of the "assignment" recorded by Synopsys against this application indicates that it was executed May 17, 1995, which is prior to the filing date of the above-identified application (and of every prior application of which benefit is herein claimed), and, as such, does not specifically identify this application. But see 37 CFR 3.21. Since the above-captioned

application is not identified therein by the application number, as required under 37 CFR 3.21 for an "assignment" to be recorded by the PTO against this application, such cannot be regarded as an "assignment" of the rights in this application. It is also noted that as the "assignment" does not specifically and adequately identify this application and the invention herein, it can not convey a present interest in this application. See In re Aerial Tel. and Power Co., 1912 Dec. Comm'r Pat. 24 (Comm'r Pat. 1912).

The USPTO has long declined to make a determination as to whether a given instrument which purports to be an assignment of the rights to an "invention", operates to convey the rights for a given *application*. See e.g., Ex Parte Lorentz, 1892 C.D. 77, 78 (Comm'r Pat. 1892); Ex Parte Chillingsworth, 1897 C.D. 72 (Comm'r Pat. 1897); Ex parte Williamson, 1899 C.D. 177, 178 (Comm'r Pat. 1899); Ex Parte Long, 1903 C.D. 152, 153 (Comm'r Pat. 1903).

As noted in Williamson, *id.*:

This request cannot be granted, for it is well settled that in order to warrant this Office in recognizing an assignee in the prosecution of an application, or in issuing the patent to him, the assignment must clearly identify the particular application referred to¹... It is possible that the assignment mentioned above has reference to the invention covered by application No. 720,206; but there is no certainty of this and in such matters the Office requires certainty and not mere probability to justify its action (citations omitted).

It is further noted that Ginneken's employment with Synopsys terminated May 1997 according to the Magma pleadings in the aforementioned litigation, which again is prior to earliest date of any prior application of which benefit is herein claimed. Accordingly, there is no basis given or apparent for assuming even in a light most favorable to Synopsys, that the proffered employment contract automatically operated to assign the inventions of any of the applications in this chain to Synopsys and, as such, trumped the other conveyances in this chain of cases signed by Van Ginneken that **on their face** transferred his rights title and interest to Magma. For the reasons given above as to why the 147 page "assignment" recorded against this application on January 28, 2005, fails to establish that Synopsys is the assignee of this application, the recordation of the same 147 pages of "assignment" against parent application No. 10/134,076 on January 28, 2005, and also executed on May 17, 1995, likewise fails to establish that Synopsys is the assignee of that application.

It follows that petitioner has failed to establish its ownership of this application within the meaning of 37 CFR 3.73(b) and MPEP § 324. Based upon the showing of record in this application, Magma retains its right to take action herein. As such, and further in view of the

¹ 37 CFR 3.11 *et seq.* require that an assignment specifically identify the *application* against which the assignment is to be recorded, which merely codify long-extant PTO requirements. See Williamson, supra; In re Aerial Tel. and Power Co., 1912 C.D. 24 (Comm'r Pat. 1912). Any document that, as here, is executed 9 years prior to the existence of a patent application manifestly fails to comply with the governing regulations for recording an assignment against that application, which require an adequate identification of the application.

fact that petitioner is not a named inventor in this application, petitioner must be regarded as a third party with respect to this patent application, and the requested relief cannot be granted.

Third party petitioner is, in essence, seeking to have the PTO make a determination from the proffered documentation, and settle its self created dispute as to the title of this application. It is well settled that the Office is not the appropriate forum for resolving a dispute concerning the ownership of an application, and, as noted above, the PTO will not permit itself to become embroiled in ownership disputes. It follows that, as the ownership issues pertaining to this application are before a court of competent jurisdiction, the PTO will take no further action in this matter unless and until the ownership issues are demonstrated to have been clearly, and finally, judicially resolved in favor of third party petitioner.

With respect to the request for extraordinary relief under 37 CFR §§ 1.182 or 1.183:

For the reasons noted above, petitioner must be regarded as a third party with respect to this application. A mere assertion of a right to have the Office act in accordance with the statutes and regulations does not confer standing upon a third party. The Boeing Company v. Commissioner of Patents and Trademarks, 853 F.2d 878, 7 USPQ2d 1487 (Fed. Cir. 1988). Further, a third party does not have standing to challenge Office decisions made *ex parte*. See, e.g., Godtfredsen v. Banner, 503 F.Supp 642, 647, 207 USPQ 202, 207 (D.D.C. 1980), Syntex v. United States Patent and Trademark Office, 882 F.2d 1570, 1574-1575, 11 USPQ2d 1866, 1870 (Fed. Cir. 1989), Hitachi Metals Ltd. v. Quigg, 776 F.Supp 3, 20 USPQ2d 1920 (Fed. Cir. 1989). There is nothing in the patent statutes which gives rise to a right in nonapplicants to object to the way in which patent applications of others are treated by the Patent and Trademark Office. A third party has no right to intervene in a particular patent application. Animal Defense Fund v. Quigg, 932 F.2d 920, 930, 18 USPQ2d 1677, 1685 (Fed. Cir. 1991); Hallmark Cards, Inc. v. Lehman, 959 F. Supp. 539, 42 USPQ2d 1134 (D.D.C. 1997). Since third party petitioner has indicated that petitioner is now involved in litigation regarding ownership of the above-identified application, then petitioner tacitly concedes that petitioner has an avenue for seeking relief with respect to the issues raised herein. Petitioner is reminded that a standard principle of statutory construction is that, absent legislative intent to the contrary, when a statute provides a specific remedy for a specific situation, the statute is deemed to exclude other remedies for such situation. See National R.R. Passenger Corp. v. National Ass'n of R.R. Passengers, 414 U.S. 453, 458 (1974). In view of the above-noted litigation, it is not necessary, much less proper, to exercise 37 CFR 1.182 or 1.183 so as to fashion yet another remedy resolving the ownership issues for third party petitioner.

Moreover, even assuming, *arguendo*, that third party petitioner has standing to request relief under 37 CFR 1.182 or 1.183 with respect to this application, the circumstances of this case simply do not warrant suspension of prosecution to await resolution of the ownership issues. It is noted that a party's request for suspension of prosecution is regarded as a failure to act with diligence with possibly adverse consequences for patent term adjustment. Since neither the named inventor nor Magma has currently agreed on the record to accept the patent term adjustment consequences of suspension of prosecution herein, it would not be appropriate to place the wishes of Synopsys, who is currently a third party in this matter, above that of the current, real party in interest.

However, the USPTO stands ready to consider any proper request for stay of prosecution filed by either Mr. Van Ginneken or Magma.

DECISION

For the reasons noted above, (1) the third party request to take action in this application is dismissed as third party petitioner has failed to adequately establish its right within the meaning of 37 CFR 3.71(b)(1) and 3.73(b) to take action herein, and (2) the third party request to suspend prosecution of this application is likewise **dismissed**.

This application is being brought to the attention of the Technology Center for examination in due course.

Inquiries related to this decision should be directed to the undersigned at (571) 272-3217.



Brian Hearn
Petitions Examiner
Office of Petitions
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cc:
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